

CHINA POWERPLUS LIMITED
(Incorporated in the Republic of Singapore)
Company registration number: 200208614Z

APPLE COVE LIMITED
(Incorporated in the British Virgin Islands)
Company Registration No. 1788613

JOINT ANNOUNCEMENT

PROPOSED EXIT OFFER AND DIRECTED DELISTING DESPATCH OF EXIT OFFER LETTER

1. INTRODUCTION

China Powerplus Limited ("**Company**") and Apple Cove Limited ("**Offeror**") refer to the joint announcement released by the Company and the Offeror on 9 May 2014 ("**Joint Announcement**") in connection with the formal proposal presented by the Offeror to the Board of Directors of the Company, to make an exit offer in cash ("**Exit Offer**") to the shareholders of the Company ("**Shareholders**"), to purchase all the issued ordinary shares in the capital of the Company ("**Offer Shares**"), pursuant to Rules 1306 and Rule 1309 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the notification dated 6 May 2014 issued by SGX-ST to the Company, directing the delisting of the Company pursuant to Rule 1315 of the Listing Manual of SGX-ST ("**Delisting**").

2. DESPATCH OF EXIT OFFER LETTER AND ACCEPTANCE FORMS TO SHAREHOLDERS

- 2.1. The Company and the Offeror wish to announce that the exit offer letter dated 20 June 2014 ("**Exit Offer Letter**") containing the terms of the Exit Offer to the Shareholders together with the Form of Acceptance and Authorisation ("**FAA**") and/or the Form of Acceptance and Transfer ("**FAT**"), as the case may be (collectively, the FAA and FAT shall be referred to as "**Acceptance Forms**"), have been despatched on 25 June 2014 to Shareholders.
- 2.2. If Shareholders hold Offer Shares that are deposited with The Central Depository (Pte) Limited ("**CDP**"), they should receive a FAA together with the Exit Offer Letter. If any Shareholder has not received a FAA, that Shareholder may obtain a copy of the FAA during normal business hours from CDP, at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, upon production of satisfactory evidence that he is a Shareholder.
- 2.3. If Shareholders hold Offer Shares that are represented by share certificate(s) and are not deposited with CDP, they should receive a FAT together with the Exit Offer Letter. If any Shareholder has not received a FAT, that Shareholder may request and obtain a copy of the FAT from the office of the Offeror's receiving agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, upon production of satisfactory evidence that he is a Shareholder.
- 2.4. A copy of the Exit Offer Letter, together with the letter issued by the Company to Shareholders in relation to the Delisting ("**Company's Letter to Shareholders**"), is available on the website of the SGX-ST at www.sgx.com.
- 2.5. Shareholders are advised to read and consider the Exit Offer Letter (including, *inter alia*, the advice of NRA Capital Pte. Ltd., the independent financial adviser to the Directors of the Company who are considered to be independent for the purposes of making recommendations to the Shareholders on the Delisting and Exit Offer ("**Independent Directors**"), as well as the recommendation of the Independent Directors in relation to the Exit Offer contained in the Company's Letter to Shareholders) carefully.

3. CLOSING DATE

- 3.1. The Exit Offer will be open for acceptance by Shareholders for a period of at least 28 days after the despatch of the Exit Offer Letter by the Offeror. Accordingly, the Exit Offer will close at 5.30 p.m. on 23 July 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror ("**Closing Date**"). Although no extension of the Exit Offer is currently contemplated by the Offeror, if the Exit Offer is extended, an announcement will be made of such extension, and the Exit Offer will remain open for acceptance for such period as may be announced by the Offeror. If the Exit Offer is extended, Shareholders who have validly accepted the Exit Offer in respect of part of their Shares will be entitled to tender additional Offer Shares in acceptance of the Exit Offer.
- 3.2. Full details of the procedures for acceptance of the Exit Offer and additional information on the settlement of the consideration for the Exit Offer are set out in Appendix I to the Exit Offer Letter and in the Acceptance Forms.

4. OVERSEAS SHAREHOLDERS

4.1. Overseas Shareholders

The availability of the Exit Offer to the Shareholders whose addresses are outside Singapore, as shown on the Register of Members of the Company or, as the case may be, in the records of CDP (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Shareholder should inform himself about and observe any applicable legal requirements in his own jurisdiction, and exercise caution in relation to the Exit Offer, as the Exit Offer Letter, the Acceptance Forms and the Company's Letter to Shareholders have not been reviewed by any regulatory authority in any overseas jurisdiction. Where there are potential restrictions on sending the Exit Offer Letter, the Acceptance Forms and the Company's Letter to Shareholders to any overseas jurisdiction, the Offeror, CDP and the Company each reserves the right not to send these documents to such overseas jurisdictions. For the avoidance of doubt, the Exit Offer is open to all the Shareholders holding Offer Shares, including those to whom the Exit Offer Letter, the Acceptance Forms and the Company's Letter to Shareholders have not been, or may not be, sent.

Copies of the Exit Offer Letter, the relevant Acceptance Forms, the Company's Letter to Shareholders and any other formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the applicable law of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

4.2. Copies of the Exit Offer Letter, Acceptance Forms and Company's Letter to Shareholders

Overseas Shareholders may, nonetheless, obtain copies of the Exit Offer Letter, the relevant Acceptance Forms, the Company's Letter to Shareholders and any related documents, during normal business hours, from the date of the Exit Offer Letter and up to the Closing Date, from the Offeror through its receiving agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Shareholder may write in to the Offeror through Boardroom Corporate & Advisory Services Pte. Ltd. at the address listed above to request for the Exit Offer Letter, the relevant Acceptance Forms, the Company's Letter to Shareholders and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder's own risk (the last day for despatch in respect of such request shall be a date falling three (3) Market Days (as defined below) prior to the Closing Date). ("**Market Day**" means a day on which the SGX-ST is open for trading in securities.)

4.3. Overseas Jurisdictions

It is the responsibility of any Overseas Shareholder who wishes to (a) request for the Exit Offer Letter, the relevant Acceptance Forms, the Company's Letter to Shareholders and/or any related documents, and/or (b) accept the Exit Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, CDP, the Company and/or any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror, CDP, the Company and/or any person acting on its behalf may be required to pay. In (i) requesting for the Exit Offer Letter, the relevant Acceptance Forms, the Company's Letter to Shareholders and/or any related documents, and/or (ii) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, CDP and the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

ANY OVERSEAS SHAREHOLDER WHO IS IN ANY DOUBT ABOUT HIS POSITION SHOULD CONSULT HIS PROFESSIONAL ADVISER IN THE RELEVANT JURISDICTION.

4.4. Notice

The Offeror reserves the right to (a) reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction, and (b) notify any matter, including the despatch of the Exit Offer Letter, any formal documentation relating to the Exit Offer, and the fact that the Exit Offer has been made, to any or all of the Shareholders (including the Overseas Shareholders) by announcement to the SGX-ST and if necessary, paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

5. RESPONSIBILITY STATEMENT

- 5.1. The directors of the Offeror ("**Offeror Directors**") (including any Offeror Director who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed herein (other than those relating to the Company and its subsidiaries, for which the Directors of the Company have taken responsibility) are fair and accurate and that no material facts have been omitted from this announcement, the omission of which would make any statement in this announcement misleading in any material respect. Where any information in this announcement has been extracted from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the Offeror Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context. The Offeror Directors jointly and severally accept responsibility accordingly.
- 5.2. The Directors of the Company (including those who may have delegated detailed supervision of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement (other than those relating to the Offeror, the Exit Offer and the Exit Offer Letter, for which the Offeror has taken responsibility) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts which relate to the Company and its subsidiaries, and the Directors (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that, to the best of their knowledge and belief, the facts stated and opinions expressed in this announcement are fair and accurate in all material aspects and the Directors are not aware of any material facts, the omission of which would make any statement in this announcement misleading in any material respect. Where any information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors (including those who may have delegated detailed supervision of this announcement) has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context. The Directors jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD

CHINA POWERPLUS LIMITED

Danny Oh Beng Teck
Independent Director
25 June 2014

BY ORDER OF THE BOARD

APPLE COVE LIMITED

Guo Dianyan
Director
25 June 2014